

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

Edison Fund, Fairfax Fund, Essex Fund,
Nucleus Fund, Oxford Fund, Santa Barbara
II Fund, Shakti Fund, and Sagitarius Fund,

Plaintiffs,

v.

Cogent Investment Strategies Fund, Ltd.,
Cogent Asset Management, LLC,
Centrix Funds, LLC, Centrix Capital
Management, LLC, and Clark Gates,

Defendants.

Case No. 06-CV 4045 (JGK)

Filed Electronically

**DECLARATION OF LANCE GOTTHOFFER IN OPPOSITION
TO DEFENDANTS' MOTION TO DISMISS THE COMPLAINT**

Lance Gotthoffer, an attorney duly admitted to practice in the State of New York,
under penalty of perjury, affirms:

1. I am a member of the firm of Reed Smith LLP, counsel for Plaintiffs. I submit
this Declaration in opposition to the motion of Defendants Cogent Investment Strategies Fund,
Ltd., Cogent Asset Management, LLC, Centrix Funds, LLC, Centrix Capital Management, LLC,
and Clark Gates ("Defendants") to dismiss the Complaint in this action (the "Motion").

2. Attached hereto are true and correct copies of the following documents:

<u>Exhibit</u>	<u>Description</u>
A.	Complaint
B.	Centrix Loan Participation Fund, Confidential Offering Memorandum dated April 2004 (the "Non Leveraged Fund COM") ¹

¹Versions of the Non Leveraged Fund COM dated August 23, 2004, December 2004 and August
2005 are also attached to the Affidavit of Clark Gates submitted by Defendants in connection
with this Motion as exhibits C, D, and E. Due to the volume of these documents and because

Continued on following page

- C. Centrix Leveraged Loan Participation Portfolio, Private Placement Memorandum dated August 2005 (the “Leveraged Fund PPM”)²
- D. Centrix Leveraged Loan Participation Fund – Series CLLPF-5, Confidential Offering Memorandum dated August 2005 (the “Leveraged Fund COM”)³
- E. November 21, 2005 Memorandum from Centrix Capital Management LLC to Plaintiffs (the “Nov. 21, 2005 Memorandum”)
- F. September 2004 NCUA Letter (the “2004 NCUA Letter”)
- G. June 2005 NCUA Risk Alert (the “2005 Risk Alert”)
- H. December 6, 2005 Memorandum from Centrix Financial LLC to Plaintiffs (the “Dec. 6, 2005 Memorandum”)
- I. Roddy Boyd, Hedge Clips Clients-Fund Cuts Withdrawals, THE NEW YORK POST, December 20, 2005, at 37.

3. Attached hereto are copies of unpublished and/or unreported cases cited to in Plaintiffs’ Memorandum of Law in Opposition to Defendants’ Motion to Dismiss the Complaint.

<u>Exhibit</u>	<u>Citation</u>
1.	<u>In re Credit Suisse First Boston Corp. Sec. Lit.</u> , No. 97 Civ. 4670, 1998 WL 734365 (S.D.N.Y. Oct. 20, 1998)
2.	<u>Manso v. Santamarina & Assocs.</u> , No. 04 Civ. 10276, 2005 WL 975854 (S.D.N.Y. April 26, 2005)
3.	<u>Walther v. Maricopa Int’l Inv., Corp.</u> , No. 97 Civ. 4816, 1998 U.S. Dist. LEXIS 5475, 18-19 (S.D.N.Y. 1998)

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they are substantially similar to the April 2004 version, Plaintiffs do not submit these documents in connection with this Declaration.

²Plaintiffs do not submit the October 2004 version of the Leveraged Fund PPM as it is substantially similar to the August 2005 version and voluminous.

³ Plaintiffs do not submit the October 2004 version of the Leveraged Fund COM as it is substantially similar to the August 2005 version and voluminous.

4. AIG Global Sec. Lending Corp. v. Banc of Am. Sec. LLC, No. 01 CV 11448, 2005 WL 2385854 (S.D.N.Y. Sept. 26, 2005)
5. Nanopierce Tech., Inc. v. Southridge Capital Mgmt. LLC, No. 02 Civ. 0767, 2003 WL 22052894 (S.D.N.Y. Sept. 2, 2003)
6. Bullmore v. Ernst & Young Cayman Islands, Index No. 104313/05 (N.Y. Sup. Ct. April 19, 2006)

4. Finally, to the extent that the Court concludes there is any pleading deficiency in respect of the Complaint, Plaintiffs would respectfully request leave to amend to cure such deficiency.

For the foregoing reasons, and those set forth in the accompanying Memorandum of Law, Plaintiffs respectfully request that Defendants' motion be denied in all respects together with such other and further relief as the Court finds just, proper and equitable.

Dated: New York, New York
August 31, 2006

/s/Lance Gotthoffer
Lance Gotthoffer